

REFUSE DISPOSAL ENTERPRISE FUNDS

The Refuse Disposal Enterprise Funds handle the collection and disposal of solid waste from approximately 158 thousand households and 11 thousand businesses. In addition, the Department collects and processes recyclable material from those households, apartments, some government offices, and businesses. Moreover, solid waste is collected at convenience center sites and transported to the landfill for disposition. The Clean City Division oversees the weed, litter, and graffiti removal efforts for the City of Albuquerque. The "Keep Albuquerque Beautiful" program is responsible for education outreach and classroom teacher training.

MISSION

Commitment to our customers: The Solid Waste Management Department will collect, transport, and dispose of solid waste in the City of Albuquerque by the most effective and efficient method; at the least possible cost; resulting in the greatest possible satisfaction to those citizens served.

Commitment to our employees: The Solid Waste Management Department will provide its employees with a safe work environment, competitive compensation, and a satisfying personal challenge.

FISCAL YEAR 2006 HIGHLIGHTS

The FY/06 budget includes a proposed three percent rate increase for residential and commercial collection service. Two percent will be used to fund a comprehensive year-round anti-litter and "War on Weeds" program. A "day labor" concept will be used, utilizing homeless individuals through contracts with local shelters. The increased funding will add four temporary laborer positions required to drive vans, a program specialist M14 position to administer and manage the program, and a twelve-passenger van.

A one percent rate increase will be used to increase the operating fund's fuel appropriation. The current appropriation for diesel fuels is at the FY/04 funding level and is approximately \$.89 per gallon. The cost for diesel fuel in FY/05 has been as high as \$1.64 per gallon with the average price being \$1.38 per gallon. The rate increase will increase the appropriation to approximately \$1.16 per gallon.

Additionally, the department proposes a fuel surcharge that will be assessed to all refuse customers on their monthly bill when applicable. The surcharge will be assessed when the cost of diesel

exceeds \$1.38 per gallon, which is the average cost of diesel purchased in the first six months of FY/05.

From the proposed three percent rate increase, the total residential charge would increase from \$10.24 per month to \$10.55 per month. That rate consists of \$7.77 for bags or cart collection, disposal of refuse generated by residential use, large item pickup, graffiti removal, weed and litter, green waste collection, convenience centers, and the Keep Albuquerque Beautiful program; \$1.89 for recyclables; \$.22 for a collection and disposal program for household hazardous waste; \$.03 for unclaimed dead animal pickup, \$.24 for debt service and the characterization study of old landfills to identify environmental issues; \$.09 for the monitoring of methane gas at former City landfills, \$.10 for environmental issues associated with old landfills; and \$.21 for additional anti-litter and weed removal activities.

Fees at the three convenience centers are \$3.40 per load for residents, \$8.91 per load for small commercial users, and landfill tipping fees of \$28.01 per ton.

Beginning in January 2005, the department increased curbside residential recycling collection from once every other week to once a week, to coincide with the regular garbage collection. The weekly recycle collection service was funded for half of FY/05 without a rate increase. In FY/06, the department is funding the weekly curbside residential recycling collection for a full year without an increase in operating appropriations. The department is absorbing the increased costs within their existing operating budget.

The transfer to capital is decreased \$455 thousand from estimated actual FY/05. The transfer was lowered to meet working capital requirements mandated by revenue bond ordinance. The transfer to the debt service fund increased \$64 thousand. The debt service fund will use \$153 thousand of fund balance to help pay the \$5.137 million in principal and interest payments due in FY/06.

The Office of Management and Budget analyzed actual FY/04 utility (gas, electricity, and water) expenditures and used this to budget FY/06 utility appropriations. The analysis lowered utility appropriations by \$40 thousand. Transfers to Risk Management fund for workers compensation went up an additional \$493 thousand.

Intra-year position movements include the creation of an associate director position by deleting two vacant positions.

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(\$000's)	ACTUAL FY/04	ORIGINAL BUDGET FY/05	REVISED BUDGET FY/05	ESTIMATED ACTUAL FY/05	PROPOSED BUDGET FY/06	PROP 06/ EST ACT 05 CHG
PROGRAM STRATEGY SUMMARY BY GOAL:						
GOAL 5: ENVIRONMENTAL PROTECTION ENHANCEMENT						
<u>REFUSE DISPOSAL OPERATING FUND - 651</u>						
Administrative Services	7,907	8,060	8,060	7,612	8,542	930
Clean City Section	2,707	2,887	2,887	2,819	4,328	1,509
Collections	14,341	13,752	13,752	15,094	14,711	(383)
Disposal	3,857	4,581	4,581	4,082	4,804	722
Bonus Program	491	0	0	0	0	0
Recycling	2,106	2,425	2,425	2,298	2,771	473
Transfer from Fund 651 to Fund 110	2,725	2,915	2,915	2,915	3,270	355
Transfer from Fund 651 to Fund 260	113	160	160	160	265	105
Transfer from Fund 651 to Fund 621	596	607	607	607	576	(31)
Transfer from Fund 651 to Fund 653	5,418	4,780	4,780	4,780	4,325	(455)
Transfer from Fund 651 to Fund 655	4,360	4,870	4,870	4,870	4,934	64
Total Refuse Disposal Operating Fund - 651	44,621	45,037	45,037	45,237	48,526	3,289
<u>REFUSE DISPOSAL D/S FUND - 655</u>						
Refuse Debt Service - 655	4,459	5,126	5,126	5,126	5,137	11
<u>OPERATING GRANTS FUND - 265</u>						
Operating Grants Fund - 265	257	344	344	344	594	250
TOTAL GOAL - 5	49,337	50,507	50,507	50,707	54,257	3,550
TOTAL APPROPRIATIONS	49,337	50,507	50,507	50,707	54,257	3,550
TOTAL FULL TIME POSITIONS	405	414	414	413	414	1

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REFUSE DISPOSAL OPERATING FUND - 651 RESOURCES, APPROPRIATIONS, AND WORKING CAPITAL BALANCE

(\$000's)	ACTUAL FY/04	ORIGINAL BUDGET FY/05	REVISED BUDGET FY/05	ESTIMATED ACTUAL FY/05	PROPOSED BUDGET FY/06	PROP 06/ EST ACT 05 CHG
RESOURCES:						
Miscellaneous Revenues	292	130	130	125	417	292
Enterprise Revenues	43,480	43,920	43,920	44,831	47,182	2,351
Transfer from other funds	21	0	0	0	0	0
Total Current Resources	43,793	44,050	44,050	44,956	47,599	2,643
Beginning Working Capital Balance	5,471	4,745	4,745	4,745	4,464	(281)
TOTAL RESOURCES	49,264	48,795	48,795	49,701	52,063	2,362
APPROPRIATIONS:						
Enterprise Operations	31,409	31,705	31,705	31,905	35,156	3,251
Transfers to Other Funds	13,212	13,332	13,332	13,332	13,370	38
TOTAL APPROPRIATIONS	44,621	45,037	45,037	45,237	48,526	3,289
ADJUSTMENT TO WORKING CAPITAL	102	0	0	0	0	0
ENDING WORKING CAPITAL BALANCE	4,745	3,758	3,758	4,464	3,537	(927)

REFUSE DISPOSAL SYSTEM DEBT SERVICE FUND - 655 RESOURCES, APPROPRIATIONS, AND FUND BALANCE

(\$000's)	ACTUAL FY/04	ORIGINAL BUDGET FY/05	REVISED BUDGET FY/05	ESTIMATED ACTUAL FY/05	PROPOSED BUDGET FY/06	PROP 06/ EST ACT 05 CHG
RESOURCES:						
Miscellaneous Revenues	40	50	50	50	50	0
Transfers from Other Funds	4,360	4,870	4,870	4,870	4,934	64
Total Current Resources	4,400	4,920	4,920	4,920	4,984	64
Beginning Fund Balance	611	552	552	552	346	(206)
TOTAL RESOURCES	5,011	5,472	5,472	5,472	5,330	(142)
APPROPRIATIONS:						
Debt Service	4,459	5,126	5,126	5,126	5,137	11
TOTAL APPROPRIATIONS	4,459	5,126	5,126	5,126	5,137	11
FUND BALANCE PER CAFR	552	346	346	346	193	(153)
ADJUSTMENT TO FUND BALANCE	0	0	0	0	0	0
AVAILABLE FUND BALANCE	552	346	346	346	193	(153)

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